Lender*VP

FREQUENTLY ASKED QUESTIONS

360-Mortgage Servicing in CBX Edition

QUESTION 1

When creating a new **360-Mortgage Loan Account,** how do I apply the prepaid interest?

ANSWER 1

Type	Amount	Description	Interest	Offset G/L#	Offset Location
92	$X.cc	PREPAID INT	$X.cc	INT G/L	BR#
85	$X.cc	PREPAID INT	$X.cc	INT G/L	BR#

Perform these entries via **Tool #492 Member Account Adjustment (Full). $X.cc** is the prepaid interest amount. The first transaction puts it into the interest bucket, and the second transaction pays it off and adds it to the YTD paid bucket.

Important *- because you are manually calculating the first month of interest, you must also advance the next interest calc date by a month. Do this via Tool #20 Update Account Information, adjusting the value in the Next Interest Calc date field forward one month. Also, whether the prepaid interest is satisfied through an account adjustment or through the teller line as "interest only," you will also need to manually clear out the Partial Pay field via that same tool.*

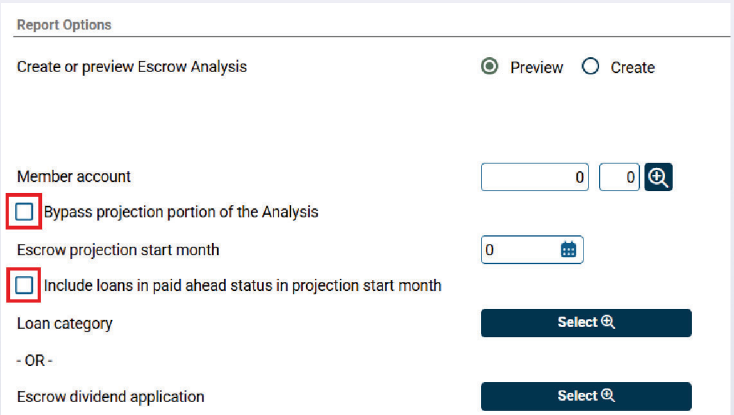
QUESTION 2

2. What is the correct process for creating a **360-Mortgage Loan Payoff?**

ANSWER 2

A. A **Mortgage Payoff** can be created ahead of time, but the **FINAL** payoff needs to be completed on the same day the loan is being paid off. This process is done via **Tool #627 Prep Mortgage for Payoff.** Prior to doing this, it's recommended that the credit union reviews the interest, calculation and payment dates are all accurate in **Tool #20 Update Account Information.** This tool will also allow you to add any Misc Fees or adjust interest, if needed.

B. If the mortgage loan has an escrow attached, a final analysis will need to be run. In **Tool #297 Create/Preview Escrow Analysis,** both check boxes would need to be checked.



QUESTION 3

How do I reverse a payment for a **360-interest calculation** type Mortgage on CBX?

ANSWER 3

A. If the transaction was done by a Teller, the reversal can be completed same day using **Tool #31 Reverse Tran/Adjust Drawer (same day).** If the transaction was not completed using a teller drawer or it is not same day, you can use **Tool #869 Transaction Reversal.** It is important to keep in mind if there were multiple suffixes involved, that the reversal is completed on **ALL** suffixes.

B. Tool #492 Member Account Adjustment Full can also be used to reverse a payment. When using this tool, you will want to confirm GL accounts needed and the correct transaction types are being used. Transaction Type Codes *(link)*

QUESTION 4

What if we are completing a reversal and the loan account is/was delinquent?

ANSWER 4

Great question! Reversals of 360 loan payments that include delinquent interest will **NOT** adjust the delinquent interest due on the loan account. The delinquent interest will need to be updated manually in **Tool #20 Update Account Information,** under the 'misc tab'.

QUESTION 5

How can I prevent a mortgage loan account from being paid off by a member in Online Banking?

ANSWER 5

This can be configured in **Tool #458 Loan Category Configuration.** Select the **'Audio/ PC Bank'** tab and check the box that states **'prevent loan payment via online/mobile banking that results in zero balance'.**

QUESTION 6

Why did I not receive a 1098 Mortgage Tax Form?

ANSWER 6

This can happen for several different reasons. It is recommended that you review the current **'Year-end Processing Guide'** that will provide you with scenarios to this question. This document can be located with the following link, https://www.cuanswers.com/.

It is very important to verify tax files, comparing to the member tax paid in transaction history.